BUDGET FY 1955

3

SECSTATE AUGUST 110200Z, 1954

USFOTO CIRCULAR 3

UNCLASSIFIED AUGUST 120854Z, 1954

Export of 10 million tons FOA Financed US coal.

1. Stassen announced at press conference August 5 target use 10 million tons US coal in Fiscal 1955 program somewhat paralleled continuing use agricultural products. US coal industry in distress from standpoint unemployment and unused capacity.

In event you are approached for particulars of program you should indicate that details forthcoming but not yet available.

STASSEN

lsm

DIST:
Ambassador
FOA - Action
Lindquist
File

AIRGRAM

FOREIGN OPERATIONS ADMINISTRATION

SECURITY CLASSIFICATION

UNCLASSIFIED

FY 55 Budget.

(2)

PAGE		PAGES
1	OF	1

DATE SENT

DATE REC'D July 15, 1954

FROM · Jidda

SUBJECT · Renumbering of Projects

REFERENCE · (Check one before each address)

DISTRIBUTION

ACTION	INFO.	ADDRESS AND SERIAL NUMBER
		WASHINGTON TOUSFO A-11

Effective with the beginning of the 1955 Fiscal Year, all projects initiated since the inception of the Program in Saudi Arabia have been renumbered as follows to conform to the new Accounting System carrying a release date of May 1, 1954:

Major Field of Activity and Title of Project	Old No.	New No.
Agriculture and Natural Resources		
Aerial Survey	25-78-01	73-12-001
Transportation		
Railway Survey	11-78-01	73-33-001
Health and Sanitation		
Quarantine Station	04-07-01	73-51-001
Maternal and Child Health Center	04-11-01	73-53-002
Vaccine Laboratory	04-15-01	73-53-003
Community Development, Social Welfare and Housing		
Rural Community Development	25-58-01	73-81-001

OTHER AGENCY

AUTHORIZING OFFICER	DRAFTED BY	OFFICE	PHONE NO.	DATE
Wayland J. Carson, Director	Alan Barge	Controller		7/15/54

FOA AND OTHER CLEARANCES

SECURITY CLASSIFICATION

UNCLASSIFIED

FOA AND OTHER CLEARANCES

FOA-51A (12-53) W/O HECTO

(Do not type below this line)

Action Book (1)

Suspense July 13

SECSTATE JULY 071954Z, 1954

USFOTO CIRC F-2

UNCLASSIFIED JULY 0811172, 1954

USFOTO CIRC F-2 USFOTO CIRC E-2 USFOTO CIRC X-11

Interim financing July FY 1955 Congress have enacted continuunt Resolution providing interim financing through July 31, 1954 or enactment appropriation act whichever first occurs. Provisions include: 1. Specific sum for financing all Mutual Security Programs for duty from unobligated balances of appropriations heretofore made; 2. Specific limitation on all Mutual Security Administrative Expenses for July; 3. Continuation of authorized projects or activities at rates not in excess current rate or rate permitted by the budget estimate, whichever is lower; 4. Authority shall not be used to initiate or resume any project or activity which was not, being conducted during FY 1954. The following instructions shall be applied to July operations. 1. Preliminary FY 1955 allotment accounts shall be set up by USOM following 1954 pattern by changing the Fiscal Year designator in the allotment symbol from "4" to "5" (See manual order 722.2 April 1, 1954). July obligations and expenditures relating thereto shall be posted to these accounts. Amounts designated in this message as limitations for Administrative expenses shall be posted to ledger as amount of allotment. No specific allotment amount will be given at this time for program allotments. Ledgers for such accounts will show a minus unobligated allotment balance resulting from any necessary obligations recorded. 2. All FY 1955 obligations and expenditures during the month of July (including Administrative expenses charges) shall be charged to appropriation symbol 72-112/$1052, the title of which is Palestine Refugee Program Executive (Transfer to Foreign Operations Administration) 1952-1955. Instructions will be furnished later on the method of transferring charges to applicable FY 1955 appropriations after enactment of appropriation act. Prior year appropriations symbols should be used for liquidation of prior year obligations. 3. Pending passage appropriation act all obligations and expenditures applicable to program accounts shall be held to a minimum. Obligations shall be restricted to those required for existing personnel and related essential and nondeferable expenses. Program funds shall not be committed or obligated for project agreements, grants or procurement authorizations without prior specific authority of FOA/W. 4. Obligations applicable to the administrative expenses limitation will likewise be held to minimum amount required for salary payment to existing personnel and related essential and nondeferrable expenses and shall not exceed $13,000 hereby

Jefferson Caffery authorized/

authorized for all Missions Administrative Expenses for month of July. 5. Intent of continuing resolution relative to liquidation local currency obligations incurred prior to June 30, 1953 is not clear. Defer liquidations such obligations pending further instructions but report any instances in which delay would prove embarrassing. Account 72FT891 is not affected by the continuing resolution.

STASSEN

lsa

DIST:
Ambassador
POA - Action
Lindquist
File

Info Carson

WHC

(20)

SECSTATE MAY 250618Z, 1954

USFOTO 380

UNCLASSIFIED MAY 250806Z, 1954

TOUSFO 456.

Assume "USFOTO CIRCULAR" referred to in text of ref gram was USFOTO 189.

USFOTO Jidda 189 applies to FY 54 funds only. "Operation blueprint" would not become effective until FY 55. Therefore, no effect on current negotiations.

With respect FY 55, task force committees currently working out and clarifying details to be requested from upon prior authorization obligation funds.

STASSEN

lsa

DIST:

Ambassador
FOA - Action
Lindquist
File

action Taylor.

UNCLASSIFIED

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CHARGE:

UNCLASSIFIED
Classification

Control: TOUSFO #470

DATE: May 25, 1954

TO: FOA/W

FROM: Taylor

USFOTO Circ. X-30. Group 1: None. Group 2: A 1, 2, 3 - cars on hand start FY 53 one Chevrolet sedan. End of 53, 2 sedans, 6 carryalls, 7 jeeps, 6 jeep station wagons, 12 power wagons. End of FY 54 in addition to above 6 jeep station wagons, 2 power wagons. On order FY 54 funds 3 Chev. 1/2 ton pick-up trucks, 1 power wagon. Replacements - none. Estimate FY 55, no passenger vehicles. 31 non-passenger type vehicles.

CURSON

TFTaylor
EBetzig:mp

UNCLASSIFIED
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

action! Taylor
Bell

TELEGRAM RECEIVED

FROM: SECSTATE

DATE: MAY 13/140630Z, 1954

NO: USFOTO CIRC X-30

CODE: UNCLASSIFIED

RECEIVED: MAY 141021Z, 1954

Info for Bureau Budget FY 55 Appropriations.

Cable soonest following data vehicles charged U.S. Program Funds with titles held U.S. Govt (or report negative) require info by May 27.

1. Report proposed purchase, hire, FY 55 of (1) sedans (2) station wagons (not including four wheel drive) (3) motorcycles (4) busses (5) aircraft (6) other passenger vehicles as follows:

A. Number to be purchased as: 1. Additions, 2. replacements
B. Net cost new vehicles: 1. Additions . Replacements
1. Gross cost all . vehicles (exclude shipping cost)
no 2. Less allowances, proceeds from trades, sales replacements.
42 C. Number of old vehicles still to be used.
no D. Cost of hire of vehicles (exclude taxis, public, private carrier)
E. Brief statement use each type vehicle.

2. Vehicles replacements schedule for (1) all type passenger vehicles; (2) all type non passenger vehicles including 1 1/2 ton trucks or less. Estimate totals 1955.

A. Number vehicles for three fiscal years: 1953-54-55;
1. On hand start FY years.
2. Additions
3. Additions on order not for replacements (FY 54 only)
4. Additions on order for replacements (FY 54 only)
none 5. Disposed of but not replaced each year.
None 6. Replaced:
A. within mileage standards 60,000 miles American make; 60,000 foreign.
B. Within age standard (6years old)
C. Within both standards.
D. Not within either standard (due excess wear, Accident)
7. On hand end of FY S.

Note: Exclude vehicles belonging other participating Agencies e.g., Dept Agriculture who personnel transferred FOA but property not yet transferred.

DIST:
Ambassador
FOA - Action ✓
Lindquist
File

W. K. Carson.

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CHARGE:

CONFIDENTIAL
Classification

Control: TOUSFO #435

TO: FOA/N

DATE: CONFIDENTIAL

USFOTO 352. We are confident all TA and SEA projects pertaining each Ministry are of particular interest to it as evidenced in discussion with Ministry; likewise all projects designed improve general welfare Saudi people either locally or countrywide. At present do not anticipate deterrents to implementation provided full cooperation received from Ministries. King just approved first section (government operations) budget. Presumably second section (development projects) will be discussed ~~and~~ and approved next. Corson handed Ambassador detailed memorandum present situation TA and SEA projects for possible use in current discussions with King. At our request Abdul Aziz Suleiman (Deputy Minister) sent his father (MinFin) today long telegram explaining possible consequences further delays in getting agreements signed and requested reply as to when action Council can be expected. We are taking all prudent measures to conclude agreements soonest. Have had no comment from any Minister regarding complex drafting any agreement although Ambassador feels SEA agreement complicated (MinFin did not). Should revised text be necessary will cable you proposed changes.

CORSON

RJCorson
WWHmalton:o

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

Dep Naylor
Corson

(2)

SECRET

APRIL 30/MAY01015Z, 195[illegible]

DEPTO 352

CONFIDENTIAL

MAY 010723Z, 195[illegible]

FOA/W anxious facilitate progress obtaining Saudi approval various programs and projects. Request cabled information account re projects which may be of particular interest to Saudi Government, and approval of which would create favorable overall atmosphere, deterrents to implementation of agreed projects, and action which might be taken either in Saudi Arabia or Washington to bring to Saudi attention that United States Government willing give special consideration speedy implementation agreed projects.

Saudi preference simple agreements understood and Washington Agencies prepared accept minimum requirements applicable legislation.

DULLES

ISA

DISTT:

Ambassador
FOA - Action
Budget
File

Action Hazelton

HC

CONFIDENTIAL

FY '55 SEA Breakdown

IN	OUT
VSFOTO - 295	TOUSFO _ 368

'55 Budget

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CHARGE:

CONFIDENTIAL
Classification

Control: TOUSFO #368

TO: FOA/W

DATE: March 24, 1954

USFOTO 295. Breakdown SEA FY 55 2410 is:

Agriculture - Training School US 175 SAO 235 Instructional Equipment 75 Contract services 100.

Health & Sanitation - Health centers and PH training school US 670 SAO 850 Technicians 5 cost 100 equipment supplies 570.

Education - Commercial and industrial training schools US 660 SAO 2250 Technicians 8 cost 200 equipment 282 local personnel 90 other 88.

Natural Resources - Mineral Geological Survey US 178.5 SAO 100.7 Technicians 5 cost 94.5 equipment supplies 56 local personnel 3 other 25.

Transportation & Communications: Engineering surveys roads US 725 SAO 1000 (Jidda Medina 75, Medina Hail 100, Hail Anasia 50, Anasia Riyadh 200, Mecca Riyadh 300) all contract services.

Above figures expressed in thousands.

CORSON

KJCorson:o

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM

Foreign Service of the United States of America

INCOMING

AID Info: Corsing Crafton

CONFIDENTIAL

Classification

Control: USFOTO 295

Recd: March 12 0650Z, 1954

FROM: SECSTATE

Date: March 11/1200GZ, 1954

USFOTO 338.

Cable immediately details of revised FY 55 figures by project, cost component, and field of activity, of request for 2.6 million Technical Cooperation Funds. Information urgently needed for Congressional hearings. Use column headings US cost for III, plus total local contribution form IV. Cable similar breakdown for request for special economic aid funds of 2.41 million. Confirm as soon as possible by revised form I thru IV (Airgram A-23).

STASSEN

lms

DIST:

Ambassador
FOA - Action
Lindquist
File

Action: Taylor
Bode

CONFIDENTIAL

Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1953 - 242207

55 Budget Folder

FY '55 IA Breakdown

IN	OUT
VSFOTO - 295	TOUSFO - 356
	TOUSFO - 338
	Ltr to Taggart dtd 3/9/54

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CONFIDENTIAL

CHARGE: Classification Control: TOUSFO 356

DATE: March 16, 1954

TO: FOA/W

FROM: TAYLOR

55

USFOTO 295. Revised TA Budget airpouched March 9.

Agriculture: Livestock Improvement, U.S. 71.1, SAG 107.8; Drainage and Water Management, U.S. 146.4, SAG 120.0; Crop Improvement, U.S. 34.3, SAG 19.5; Range Management, U.S. 62.6, SAG 63.0; Technicians 13 cost 279.6; Trainees 8 cost 32.0, SAG 32.0; Total U.S. cost 626.0, Total cost 968.3.

Natural Resources: SEA Water Development Project. Technicians 6 cost 113.9; Trainees 3 U.S. cost 12.0, SAG 12; Total U.S. cost 125.9, Total cost 137.9.

Education: Commercial School, U.S. 18.0, SAG 26.0; School Planning, U.S. 75.6, SAG 3,532.0; Teacher Trng School, U.S. 91.9, SAG 11.2. Technicians 14 cost 353.7, Trainees 8 U.S. 32., SAG 32; Total U.S. costs, 571.3, Total Costs, 4,172.4.

Health and Sanitation: Public Health Laboratory, U.S. 18.0, SAG 81.0; Maternal & Child Health, U.S. 5.0, SAG 27.0; Insect Control Program, U.S. 130.0, SAG 150.0; Technicians 10 cost 195.5, Trainees 8, U.S. cost 24.0, SAG 24.0; Total U.S. costs 372.5, Total Costs, 654.5.

Transportation & Communications: Demonstration City Pavement Const. U.S. 75.0, SAG 500.0; Communications Survey, U.S. 18.0, SAG 27.0; Dammam Trng School, U.S. 89.9, SAG 781.0, Technicians 9 costs 185.1; Trainees 3 U.S. 12.0, SAG 12.0; Total U.S. costs 380.0, Total Costs, 1,700.0.

Public Administration: U.S. 6.0, SAG 17.2; Technicians 6 cost 136.3 Trainees 6 U.S. 24.0, SAG 24.0; Total U.S. costs 166.3; Total costs 207.5.

SEA info supplied return Corson Hazleton March 20.

CORSON

TFTaylor/ps
JHode

CONFIDENTIAL

Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM

Foreign Service of the United States of America

INCOMING

Attn: Fenton Bode (1)

CONFIDENTIAL
Classification

Control: USFOTO 295
Recd: March 120650Z, 1954

FROM: SECSTATE

Date: March 11/120052Z, 1954

Cable drafted 3-16-54 Gib Hayler

TOUSFO
~~USFOTO~~ 338.

Cable immediately details of revised FY 55 figures by project, cost component, and field of activity, of request for 2.6 million Technical Cooperation Funds. Information urgently needed for Congressional hearings. Use column headings US cost for III, plus total local contribution form IV. Cable similar breakdown for request for special economic aid funds of 2.41 million. Confirm as soon as possible by revised form I thru IV (Airgram A-23).

STASSEN

lms

DIST:

Ambassador
FOA - Action
Lindquist
File

Info: Corson
Hafeton

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1953 - 242207

USA OPERATIONS MISSION TO SAUDI ARABIA
American Embassy - Jidda

March 9, 1954

OFFICIAL - INFORMAL
CONFIDENTIAL

Dear Paul:

In paragraph 2 of our TOUSFO 338 dated March 5, we informed you that we would send you an appropriately revised FY-55 Technical Assistance budget. We attach such budget in duplicate.

You will note that in line with paragraph 2 of USFOTO 275 dated February 27, we have increased our FY-55 budget from $1.7 million, as was originally agreed upon, to $2.61 million, having reduced the FY-55 special economic aid projects from $3.35 million, as was previously agreed upon, to $2.41 million.

The total amount of the attached revised FY-55 budget of $2.61 million is broken down as follows:

		Per Cent
Agriculture	$ 625,997	24.0
Health & Sanitation	372,497	14.2
Education	571,264	22.0
Natural Resources	125,894	4.8
Transportation & Communications	379,979	14.6
Public Administration	166,250	6.4
Administration	367,526	14.0
	$2,609,407	100.0

We would like to call your attention to the fact that under ADMINISTRATION we have made provisions for administratively handing both TA and economic aid programs/projects during the next year. As we have written you on a number of occasions, we are considerably understaffed and the personnel of this Mission should not be expected to continue working long hours and under pressure as at present. We know that you can appreciate this situation and the justness of our having made such provisions in the enclosed ADMINISTRATION budget.

Mr. Paul F. Taggart,
Chief, Iraq, Saudi Arabia, Lebanon, Syria Division,
Near East, South Asia and Africa Operations,
Foreign Operations Administration,
Washington 25, D. C.

In case you have any questions regarding the enclosed budget, which we hope will reach you in time for Congressional presentation, please let us know.

Sincerely yours,

Harland J. Corson
Director
USA Operations Mission to Saudi Arabia

Encl. -
Revised FY-55 budget

HJCorson:o

USA OPERATIONS MISSION TO SAUDI ARABIA
American Embassy - Jidda

February 23, 1954

OFFICIAL - INFORMAL
UNCLASSIFIED

Dear Paul:

Enclosed is one copy each of Table I and Table II on projections of estimates of sub-obligations and expenditures. Four additional copies of each are being transmitted today via airpouch. This material is requested in USFOTO A-63 dated February 6, 1954.

Sincerely yours,

Harland J. Corson
Director
USA Operations Mission to Saudi Arabia

Encls. - 2
Tables I and II,
as above

Mr. Paul Taggart,
Chief, Iraq, Saudi Arabia, Lebanon, Syria Division,
Near East, South Asia and Africa Operations,
Foreign Operations Administration,
Washington 25, D. C.

WBHazleton:o

See Airgram USFOTO 234
" " A-63
Sent to FOA/W 2/23/54
[illegible]

TABLE I.

PROJECTION OF OBLIGATIONS AND EXPENDITURES
(In thousands of dollars)

	TOTAL		NON-PROJECT EXPENSES						PROGRAM AGREEMENTS	
			Technicians		Training Awards		Other			
	Obl.	Exp.	Obli.	Exp.	Obli.	Exp.	Obl.	Exp.	Obli.	Exp.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
From FY 52 Appropriation										
(1) As of 6/30/53	17	11	X	11	X	0	X	0	X	0
(2) 7/1/53 to 1/31/54	X	0	X	0	X	0	X	0	X	0
(3) 7/1/53 to 3/31/54	X	0	X	0	X	0	X	0	X	0
(4) 7/1/53 to 6/30/54	X	6	X	0	X	0	X	0	X	0
(5) 7/1/54 to 6/30/55	X	0	X	0	X	0	X	0	X	0
From FY 53 Appropriation *										
(6) As of 6/30/53	1,741	584	X	478	X	2	X	0	X	104
(7) 7/1/53 to 1/31/54	X	414	X	170	X	3	X	0	X	241
(8) 7/1/53 to 3/31/54	X	669	X	193	X	25	X	0	X	451
(9) 7/1/53 to 6/30/54	X	878	X	214	X	43	X	0	X	621
(10) 7/1/54 to 6/30/55	X	279	X	0	X	9	X	0	X	270
From FY 54 Appropriation										
(11) As of 1/31/54	472	105	383	105	31	0	0	0	58	0
(12) 7/1/53 to 1/31/54	472	105	383	105	31	0	0	0	58	0
(13) 7/1/53 to 3/31/54	738	447	523	405	40	20	0	0	175	22
(14) 7/1/53 to 6/30/54	1462	817	807	475	115	90	0	0	540	252
(15) 7/1/54 to 6/30/55	0	645	0	332	0	25	0	0	0	288

INSTRUCTIONS:-

1. Exclude all Program Direction Costs.
2. X - denotes not to be filled.

2/5/54 *Includes Program Direction Costs not as yet segregated on books for FY/53.

TABLE II. BREAKDOWN OF PROGRAM AGREEMENT OBLIGATIONS, SUB-OBLIGATIONS, AND EXPENDITURES

(In thousands of dollars)

	TOTAL			SUB-OBLIGATIONS UNDER AGREEMENTS											
		Sub.		Suppl. & Equipment			Service Contracts			Grants			Field Costs		
	Obl. (A)	Obl. (B)	Exp. (C)	Obl. (D)	Sub.Obl. (E)	Exp. (F)	Obl. (G)	Sub.Obl. (H)	Exp. (I)	Obl. (J)	Sub.Obl. (K)	Exp. (L)	Obl. (M)	Sub.Obl. (N)	Exp. (O)
From FY 52 Appropriation															
(1) As of 6/30/53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(2) 7/1/53 to 1/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(3) 7/1/53 to 3/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(4) 7/1/53 to 6/30/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(5) 7/1/54 to 6/30/55	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
From FY 53 Appropriation															
(6) As of 6/30/53	995	655	104	550	210	99	445	445	45	0	0	0	0	0	0
(7) 7/1/53 to 1/31/54	X	98	241	X	68	21	X	30	220	X	0	0	X	0	0
(8) 7/1/53 to 3/31/54	X	172	451	X	100	121	X	0	330	X	0	0	X	0	0
(9) 7/1/53 to 6/30/54	X	280	621	X	280	241	X	0	300	X	0	0	X	0	0
(10) 7/1/54 to 6/30/55	X	60	270	X	60	250	X	0	20	X	0	0	X	0	0
From FY 54 Appropriation															
(11) As of 1/31/54	98	52	0	98	52	0	0	0	0	0	0	0	0	0	0
(12) 7/1/53 to 1/31/54	98	52	0	98	52	0	0	0	0	0	0	0	0	0	0
(13) 7/1/53 to 3/31/54	175	138	22	142	105	17	0	0	0	0	0	0	33	33	5
(14) 7/1/53 to 6/30/54	540	354	252	418	232	148	0	0	0	0	0	0	122	122	104
(15) 7/1/54 to 6/30/55	0	186	288	0	186	275	0	0	0	0	0	0	0	0	13

INSTRUCTIONS:-

1. Exclude all Program Direction Costs. Program Agreement Obligations Col. I. and Program Agreement Expenditures Col. J of Table I should be the same as Total Obligations Col. A. and Total Expenditures Col. C. of Table II.
2. In Table II include under Grants Cols. J. K. L. actual deposits to joint funds.
3. Service contracts include all contracts except University contracts.
4. Supplies and Equipment includes all supplies and equipment purchased in the field or Washington.
5. Sub-Obligations means same as reservations.
6. X - denotes not to be filled.

2/5/54

TABLE II. BREAKDOWN OF PROGRAM AGREEMENT OBLIGATIONS, SUB-OBLIGATIONS, AND EXPENDITURES
(In thousands of dollars)

	TOTAL			SUB-OBLIGATIONS UNDER AGREEMENTS											
		Sub.		Suppl. & Equipment			Service Contracts			Grants			Field Costs		
	Obl. (A)	Obl. (B)	Exp. (C)	Obl. (D)	Sub.Obl. (E)	Exp. (F)	Obl. (G)	Sub.Obl. (H)	Exp. (I)	Obl. (J)	Sub.Obl. (K)	Exp. (L)	Obl. (M)	Sub.Obl. (N)	
From FY 52 Appropriation															
(1) As of 6/30/53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(2) 7/1/53 to 1/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(3) 7/1/53 to 3/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(4) 7/1/53 to 6/30/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(5) 7/1/54 to 6/30/55	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
From FY 53 Appropriation		(a)	x		(a)	x		(a)	x					(a)	(x)
(6) As of 6/30/53	995	655	104	550	210	59	445	445	45	0	0	0	0	0	0
(7) 7/1/53 to 1/31/54	X	98	241	X	68	21	X	30	220	X	0	0	X	0	0
(8) 7/1/53 to 3/31/54	X	172	451	X	100	121	X	0	330	X	0	0	X	0	0
(9) 7/1/53 to 6/30/54	X	280	621	X	280	241	X	0	380	X	0	0	X	0	0
(10) 7/1/54 to 6/30/55	X	60	270	X	60	250	X	0	20	X	0	0	X	0	0
From FY 54 Appropriation															
(11) As of 1/31/54	58	52	0	58	52	0	0	0	0	0	0	0	0	0	0
(12) 7/1/53 to 1/31/54	58	52	0	58	52	0	0	0	0	0	0	0	0	0	0
(13) 7/1/53 to 3/31/54	175	138	22	142	105	17	0	0	0	0	0	0	33	33	5
(14) 7/1/53 to 6/30/54	540	354	252	418	232	148	0	0	0	0	0	0	122	122	104
(15) 7/1/54 to 6/30/55	0	186	288	0	186	275	0	0	0	0	0	0	0	0	13

INSTRUCTIONS:-

1. Exclude all Program Direction Costs. Program Agreement Obligations Col. I. and Program Agreement Expenditures Col. J of Table I should be the same as Total Obligations Col. A. and Total Expenditures Col. C. of Table II.
2. In Table II include under Grants Cols. J. K. L. actual deposits to joint funds.
3. Service contracts include all contracts except University contracts.
4. Supplies and Equipment includes all Supplies and equipment purchased in the field or Washington.
5. Sub-Obligations means same as reservations.
6. X denotes not to be filled.

7/1/53 - 1/31/54 = 241

7/1/53 - 3/31/54 =

104 ✓

7/1/53 - 1/31/54 = 241 ✓

7/1/53 - 3/31/54 (210) 451 ✓

7/1/53 - 6/31/54 (190) 621 ✓

7/1/54 - 6/30/55 370 ✓

995

up to 6/30/53 - 104

7/1/53 - 6/31/54 621

7/1/54 - 6/30/55 270

995 ✓

TABLE II. BREAKDOWN OF PROGRAM AGREEMENT OBLIGATIONS, SUB-OBLIGATIONS, AND EXPENDITURES

(In thousands of dollars)

	TOTAL			SUB-OBLIGATIONS UNDER AGREEMENTS											
		Sub.		Suppl. & Equipment			Service Contracts			Grants			Field Costs		
	Obli. (A)	Obl. (B)	Exp. (C)	Obl. (D)	Sub.Obl. (E)	Exp. (F)	Obl. (G)	Sub.Obl. (H)	Exp. (I)	Obl. (J)	Sub.Obl. (K)	Exp. (L)	Obl. (M)	Sub.Obl. (N)	Exp. (O)
From FY 52 Appropriation															
(1) As of 6/30/53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(2) 7/1/53 to 1/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(3) 7/1/53 to 3/31/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(4) 7/1/53 to 6/30/54	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
(5) 7/1/54 to 6/30/55	X	0	0	X	0	0	X	0	0	X	0	0	X	0	0
From FY 53 Appropriation															
(6) As of 6/30/53	995	655.	104.	550	210	59	445	445	45	0	0	0	0	0	0
(7) 7/1/53 to 1/31/54	X	98	241	X	68	21	X	30	220	X	0	0	X	0	0
(8) 7/1/53 to 3/31/54	X	172	210	X	42	120	X	260	90	X	0	0	X	0	0
(9) 7/1/53 to 6/31/54	X	280.	170.	X	100	100	X	440	70	X	0	0	X	0	0
(10) 7/1/54 to 6/30/55	X	60.	270.	X	0	250	X	105	20	X	0	0	X	0	0
From FY 54 Appropriation															
(11) As of 1/31/54	58	57	0	58	57	0	0	0	0	0	0	0	0	0	0
(12) 7/1/53 to 1/31/54	58	57	0	58	57	0	0	0	0	0	0	0	0	0	0
(13) 7/1/53 to 3/31/54	175	138	22	147	105	17	0	0	0	0	0	0	33	33	5
(14) 7/1/53 to 6/30/54	540	506	252	418	384	148	0	0	0	0	0	0	122	122	104
(15) 7/1/54 to 6/30/55	0	34	288	418	418	418	0	0	0	0	0	0	122	122	122

May 53 114 429

INSTRUCTIONS:-

1. Exclude all Program Direction Costs. Program Agreement Obligations Col I. and Program Agreement Expenditures Col. J. of Table I should be the same as Total Obligations Col. A. and Total Expenditures Col. C. of Table II.
2. In Table II include under Grants Cols. J. K. L. actual deposits to joint funds.
3. Service contracts include all contracts except University contracts.
4. Supplies and Equipment includes all Supplies and equipment purchased in the field or Washington.
5. Sub-Obligations means same as reservations.
6. X - denotes not to be filled.

2/5/54

1953 FY	
Aerial Survey	115.000
Railway Survey	330.000
Rural Community	500.000

1954 FY	
Quarantine	50,000
Maternal & Ch.	7.500
	57.500

	Sub B	Exp C	D	E	F	M	N	O
Line 8	50	10	X	20	10	0	0	0
	25	0	X	25	0			
Total	75	10	X	45	0	0	0	0
Line 9								
	134	50	X	70	50	0	0	0
	25	50	X	25	50	0	0	0
	159	100	X	95	100	0	0	0
Line 10								
	61	0	X	155	185	0	0	0
	0	0		0	0	0	0	0
	61			155	185			

75
159
61
295
98
393 ×
655
1048 ×
995
47 × 110

242
75
167
112
55

995
753 ×
242 × left to work on.

75
112
55
242

B	C	~~E~~	F
655			
75	10	45	0

112

~~445~~

	B	C	E	F	H	I
	995	995	~~995~~	~~995~~		
	Sub	Exp	Sub	Exp	Sub	Exp
	B	C	E	F	H	I
	655	104	550 210	59	445 445	45
7	98	241	68	21	30	220
Line 8	172	210	42	170	130	90
9	280	170	100	150	180	70
10	105	270	0	250	105	20
	785	OK	OK	OK	OK	OK

130
145
275

655
240

98
275
373

340
98
242

	A	B	C	D	E	F	M	N	O
11	58	52	0	58	52	0	0	0	0
12	58	52	0	58	52	0	0	0	0
13	175	138	22	142	105	17	33	33	5
14	540	506	252	418	384	148	122	122	104
15	540	540	540	418	418	418	122	122	122

Line 13	A	B	C	D	E	F	M	N	O
Agr	12	0	0	12	0	0	0	0	0
H.+S.	2	2	0	2	2	0	0	0	0
Educ.	76	76	10	43	43	5	33	33	5
N.R.	10	10	2	10	10	2	0	0	0
T.+C.	75	50	10	75	50	10	0	0	0
	175	138	22	142	105	17	33	33	5

Line 14									
			OK						OK
Agr	121	133	60	80	92	19	41	41	41
H+S.	155	144	26	142	128	26	13	13	0
Educ	25	25	91	0	0	38	25	25	53
N.R.	64	50	13	54	40	8	10	10	5
T.+C.	0	20	40	0	20	40	0	0	0
~~Living~~	~~365~~	~~368~~	230	~~269~~	280	~~130~~	89	89	~~100~~
~~Agr.~~	365	369		276		131			99
~~H+S.~~									
~~Educ.~~									
~~N.R.~~									

Line 15	A	B	C	D	E	F	M	N	O
Agr.	0	0	73	0	10	73	0	0	0
H.+S.	0	15	131	0	15	118	0	0	13
Educ.	0	0	0	0	0	0	0	0	0
N.R.	0	14	59	0	14	54	0	0	5
T.+C.	0	5	25	0	5	25	0	0	0
	0	34	288	0	34	270	0	0	18

Agr.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
13	12	0	0	12	0	0	—			—			—		
14	121	133	60	80	92	19	—			—			41	41	41
15	0	0	73	0	0	73	—			—			0	0	0

H. & S.

13	2	2	0	2	2	0	—			—			—		
14	155	140	26	133	128	26							13	13	0
15	—	15	131	0	15	118							0	0	13

Educ.

13	7	16	10	4	43	5	—			—			33	33	5
14	0	25	91	0	0	38							0	25	53
15	0	0	0	0	0	0	—			—			0	0	0

Nat Res

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
13	10	10	2	10	10	2							~~10~~	~~10~~	~~5~~
14	64	50	13	54	40	8							10	10	5
15	0	14	59	0	14	54							0	0	5

T + C

13	75	50	10	75	50	10
14	0	20	40	0	20	40
15	0	5	25	0	5	25

Pub Adm

0

TABLE II. BREAKDOWN OF PROGRAM AGREEMENT OBLIGATIONS, SUB-OBLIGATIONS, AND EXPENDITURES

(In thousands of dollars)

	TOTAL			SUB-OBLIGATIONS UNDER AGREEMENTS											
		Sub.		Suppl. & Equipment			Service Contracts			Grants			Field Costs		
	Obli. (A)	Obl. (B)	Exp. (C)	Obl. (D)	Sub.Obl. (E)	Exp. (F)	Obl. (G)	Sub.Obl. (H)	Exp. (I)	Obl. (J)	Sub.Obl. (K)	Exp. (L)	Obl. (M)	Sub.Obl. (N)	Exp. (O)
From FY 52 Appropriation															
(1) As of 6/30/53															
(2) 7/1/53 to 1/31/54	X			X			X			X			X		
(3) 7/1/53 to 3/31/54	X			X			X			X			X		
(4) 7/1/53 to 6/30/54	X			X			X			X			X		
(5) 7/1/54 to 6/30/55	X			X			X			X			X		
From FY 53 Appropriation															
(6) As of 6/30/53															
(7) 7/1/53 to 1/31/54	X			X			X			X			X		
(8) 7/1/53 to 3/31/54	X			X			X			X			X		
(9) 7/1/53 to 6/30/54	X			X			X			X			X		
(10) 7/1/54 to 6/30/55	X			X			X			X			X		
From FY 54 Appropriation															
(11) As of 1/31/54															
(12) 7/1/53 to 1/31/54															
(13) 7/1/53 to 3/31/54															
(14) 7/1/53 to 6/30/54															
(15) 7/1/54 to 6/30/55															

INSTRUCTIONS:-

1. Exclude all Program Direction Costs. Program Agreement Obligations Col I. and Program Agreement Expenditures Col. J. of Table I should be the same as Total Obligations Col. A. and Total Expenditures Col. C. of Table II.
2. In Table II include under Grants Cols. J. K. L. actual deposits to joint funds.
3. Service contracts include all contracts except University contracts.
4. Supplies and Equipment includes all Supplies and equipment purchased in the field or Washington.
5. Sub-Obligations means same as reservations.
6. X - denotes not to be filled.

2/5/54

TABLE I.

PROJECTION OF OBLIGATIONS AND EXPENDITURES
(In thousands of dollars)

	TOTAL		NON-PROJECT EXPENSES						PROGRAM AGREEMENTS	
	Obl.	Exp.	Technicians		Training Awards		Other		Obli.	Exp.
			Obli.	Exp.	Obli.	Exp.	Obli.	Exp.		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
From FY 52 Appropriation										
(1) As of 6/30/53			X		X		X		X	
(2) 7/1/53 to 1/31/54	X		X		X		X		X	
(3) 7/1/53 to 3/31/54	X		X		X		X		X	
(4) 7/1/53 to 6/30/54	X		X		X		X		X	
(5) 7/1/54 to 6/30/55	X		X		X		X		X	
From FY 53 Appropriation										
(6) As of 6/30/53			X		X		X		X	
(7) 7/1/53 to 1/31/54	X		X		X		X		X	
(8) 7/1/53 to 3/31/54	X		X		X		X		X	
(9) 7/1/53 to 6/31/54	X		X		X		X		X	
(10) 7/1/54 to 6/30/55	X		X		X		X		X	
From FY 54 Appropriation										
(11) As of 1/31/54										
(12) 7/1/53 to 1/31/54										
(13) 7/1/53 to 3/31/54										
(14) 7/1/53 to 6/30/54										
(15) 7/1/54 to 6/30/55										

INSTRUCTIONS:-

1. Exclude all Program Direction Costs.
2. X - denotes not to be filled.

2/5/54

CONFIDENTIAL

Control: TOUSFO #298

TO: FOA/W

Date; February 8, 1954

USFOTO 226. Unsubobligated balance $247,000. Plans invoice subobligating 83,000 Khulais through 35,000 Agriculture, 11,000 Education, ? 41,000? 25,000 Natural Resources, 12,000 Health; Itwad 148,000 through 68,000, 22,000, 28,000, 30,000 respectively and General Program 16,000. Expect 65 to 70 percent to be subobligated during balance present fiscal year, remainder during first quarter next fiscal year.

CORSON

HJCorson
WBHazelton
JBode:o

CONFIDENTIAL

TELEGRAM

Foreign Service of the United States of America

INCOMING

Action: Boyle (1)

~~CONFIDENTIAL~~
Classification

Date: February 9/0116Z '54
Control: USFOTO 244
Recd: February 9/0819Z

FROM: SECSTATE

FY 1955 technical assistance country levels.

~~For purposes~~ congressional presentation FY 55 technical cooperation program FOA/W, with concurrence State Department, has approved $1.7 million for technical cooperation program your country (exclusive domestic program consjs). Please refer Telegram USFOTO 234 and forward reprogramming data within above total dollar limitation.

STASSEN

ga

DIST

Ambassador
FOA-Action
McCullars
File

Info: Carson
Bade

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CONFIDENTIAL

CHARGE: Classification

Control: TOKYO 367

DATE: March 24, 1954

TO: FOA/W

TOKYO 356. Total allowances technicians include 1) post differential 35 per cent, 2) cost of living $1,690, 3) local travel $1,500, 4) distributive share of rent and utilities $3,110, 5) distributive share automotive and other supplies $1,000.

CORSON

HJCorson
JBods
WHazleton/pa

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM

Foreign Service of the United States of America

INCOMING

Action Lindquist

Bade

Hazelton

Edens

CONFIDENTIAL
Classification

200050Z
Date: March 19, 1954
Control: UNN (305?)
Recd: March 20, 1158Z

FROM: SECSTATE WASHINGTON

TOUSFO 356

Revised technical assistance budget FY 55 program pouched March 9 has been received. For use justification cost per technician analyze break down of cost allowances for exomplkshtenaion specialist salary $72 wrwthrickxlowances $9316.

STASSEN

DIST

Ambassador
FOA-Action
Lindquist
File

TELEGRAM

Foreign Service of the United States of America

INCOMING

UNCLASSIFIED
Classification

190055Z
Date: March 18, 1954
Control: USFOTO 304
Recd: March 19, 1450Z

FROM: SECSTATE

Limited Distribution.

FY 1955 Administrative budget and staff in adjustment FY 1955 Administrative budget call.

1. Based on Budget Bureau actions taken and anticipated FOA/W has completed detailed field and FOA/W 1955 Administrative ceiling review. Propose FY 1955 administrative ceiling USOM to Saudi Arabia of 9 Americans and 12 locals. Any requested increase over this proposal will require specific justification based on FY 1955 program commitments and supported by workload data.

2. Request your views:

A. In which positions can locals of third country nationals be appropriately and economically substituted for Americans?

B. Where would additional administrative or other integration with Embassy staff enable US reduce personnel?

C. How can reductions be effected in budget for objects expenditures other than personal services, such as travel, communications, etc?

D. What other comments do you have on reducing administrative expenses through simplifying procedures, organization, etc?

3. Information called for this cable is to be presented in response to formal budget call already mailed to you.

STASSEN

DIST
Ambassador
FOA-Action
Lindquist
File

UNCLASSIFIED
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1953 - 242207

FY 1954 BUDGET

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINEES	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTIO
AGRICULTURE											
Cost of U.S. Technicians	187,000	10	187,000								
Cost of Trainees	24,000			6	24,000						
Project #1 (30,000)	30,000						30,000				75,000
Project #2 (12,300)	12,300						12,300				12,000
Project #3 (30,000)	30,000						30,000				100,000
Project #4 (7,850)	7,850						7,850				15,000
Project #5 (12,430)	12,430						12,000			430	4,000
"Other Costs"	40,420					8,000				32,420	
TOTALS	344,000	10	187,000	6	24,000	8,000	92,150			32,850	206,000
HEALTH & SANITATION											
Cost of U.S. Technicians	140,000	7	140,000								
Cost of Trainees	32,000			8	32,000						
Project #1 (50,000)	50,000						50,000				540,000
Project #2 (2,500)	2,500						2,500				
Project #3 (85,000)	85,000						85,000				
Project #4 (2,000)	2,000						2,000				
Project #5 (17,500)	17,500					12,500	5,000				
TOTALS	329,000	7	140,000	8	32,000	12,500	144,500				540,000
EDUCATION											
Cost of U.S. Technicians	98,660	8	98,660								
Cost of Trainees	32,000			8	32,000						
Project #1 (58,300)	58,300					36,000	17,000			5,300	70,160
Project #4 (8,200)	8,200					1,500	6,700				9,000
Project #5 (14,140)	14,140					3,000	11,140				19,600
Project #6 (9,000)	9,000					9,000					10,200
Project #7 (11,700)	11,700					3,746	7,954			900	11,200
TOTALS	232,000	8	98,660	8	32,000	53,246	41,894			6,200	120,160

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINEES	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTIONS
NATURAL RESOURCES											
Cost of U.S. Technicians	246,092	10	246,092								
Cost of Trainees	12,000			3	12,000						
Project #1 (73,908)	73,908					9,912	63,996				670,000
TOTALS	332,000	10	246,092	3	12,000	9,912	63,996				670,000
TRANSPORTATION & COMMUN.											
Cost of U.S. Technicians	50,000	3	50,000								
Cost of Trainees	12,000			3	12,000						
Project #1 (75,000)	75,000						75,000				75,000
TOTALS	137,000	3	50,000	3	12,000		75,000				75,000
PUBLIC ADMINISTRATION											
Cost of U.S. Technicians	85,000	5	85,000								
Cost of Trainees	12,000			3	12,000						
TOTALS	97,000	5	85,000	3	12,000						20,000
GRAND TOTALS	1,471,000	43	806,752	31	124,000	83,658	417,540			39,050	1,631,160

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CONFIDENTIAL
Classification

CHARGE:

Control: TOUSFO 1330

TO: FOA/W

DATE: March 9, 1954

JOINT EMBASSY-USAOM MESSAGE.

USFOTO 269. FY-55 Programing.

1. Corson discussed USFOTO 269 and Embassy-USAOM views this subject with Paul in Beirut.

2. We concur separation TA and special economic aid funds for purposes Congressional presentation. However, feel advisable increase TA to $2.64 million and reduce SEA funds to $2.41 million in line with policy to increase former and reduce latter. USAOM airmailing appropriately revised FY-55 TA budget totaling $2.64 million and submits following description proposed FY-55 SEA projects totaling $2.41 million:

Agriculture - $175,000 (235000) establishment agricultural training school.

Health and Sanitation - $670,000 (850,000) establishment twenty rural two city health centers, also public health training school.

Education - $660,000 (2,250,000) establishment four commercial schools, two industrial training schools.

Natural Resources - $170,500 special mineral geological survey.

Transportation - Communications - $725,000 (400000) engineering surveys of principal roads in addition those covered FY-54 SEA.

(Note: First three items are by way of contributions—chiefly US personnel and equipment—towards realization of projects; fourth and fifth items represent major cost of surveys.)

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM Foreign Service of the United States of America

OUTGOING

CONFIDENTIAL
Classification

CHARGE: Control: TOUSPO #338 - Page 2
TO: FOA/W - Page 2

DATE: March 9, 1954

3. (A) Delay in negotiation bilateral agreement not attributable to SAG as has been pointed out in recent USAGM-FOA/W communications and in discussion with Paul. MinFin informed Corson he will present draft (given MinFin by Corson Feb. 24 and since approved by Paul) at meeting Council Ministers scheduled start March 7. (See USAGM letter March 5.)

(B) SAG definitely interested establishing high ranking development board to study, prepare and implement long-range projects. USAGM/Jidda would work closely with it.

4. See 3 (B) above.

5. (A) Time for initiating discussions with SAG covering relations with development board might be latter part this year after new King were firmly established, new Ministers get their Ministries organized and their budgets bec me operative.

(B) This is already recognized by SAG as matter of principle as evidenced in discussions covering FY-54 SEA.

(1) SAG still waiting for USAGM to furnish investment climate specialist.

(2) Most envisaged projects provide improvement general living standards.

(C) We feel it would be unwise attempt obtain suggested commitment. We believe SAG will contribute liberally all projects involving SEA.

6. King has told Ambassador he plans two budgets (one ordinary, the other capital investment for special development) and will establish development

CONFIDENTIAL
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CONFIDENTIAL

Classification

CHARGE:

Control: TOUSFO #338 - Page 3

TO: FOA/W - Page 3

DATE: March 9, 1954

board to administer latter under his personal supervision.

In brief, feel this is wrong time for us press matters.

CARSON

WJCarson:otdh

Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

Action: Hagerton (1)

TELEGRAM RECEIVED

Ans. by TO DSFO-31

FROM: SECSTATE

DATE: FEBRUARY 050255Z/1954

NO: USFOTO 234

CODE: UNCLASSIFIED

RECEIVED: FEBRUARY 071035Z

SENT IRO USFOTO 737 ADDISABABA USFOTO 157 KABUL USFOTO 157 TEHRAN USFOTO 731 NEW DELHI USFOTO 669 BAGHDAD USFOTO 319 KARACHI USFOTO 601 TELAVIV USFOTO 344 KATMANDU USFOTO 65 AMMAN USFOTO 367 BEIRUT USFOTO 296 MONROVIA USFOTO 224 TRIPOLI USFOTO 16 JIDDA USFOTO 234

SUBJECT: FY 1955 Congressional presentation Technical Cooperation Program.

Preparations being made for Congressional Presentation FY 1955. Date of hearings not yet set: FOA/W operation on assumption material ready for authorization hearings March 1. Exact form presentation material being developed. However, Missions requested start immediately on preparation material described below which will be required in any event for Congression presentation. Amounts individual Country Program will be cabled separately. Following material required from Country Missions: (1) Concise about two pages, statement of central plans and objecti es of country Technical Cooperation Programs. FOA/W pleased with evidences of long term planning revealed in incoming documents and in Istanbul discussions, and feels time appropriate to articulate these into concrete Statements budget submissions. In nearly all underdeveloped countries, basic problem of individual is efficiency health, education, nutrition, and employment opportunities semi basic problem Government is administrative know how. Factors determine content of large segment of TA Programs and should be spelled out in concrete terms both as to needs and objectives to give clear cut idea of just what basic element of TA Programs are getting at in individual countries, avoiding generalization of type which result in statements which could apply to any country pend in Near East Countries, water development should be emphasized as means for improving living standard masses. In addition to the basic Program objectives, development of TA Programs should give consideration to the possible avenues and potentials for overall economic development in the country which will create a healthier economic climate within which the individual will prosper. Wherever Regional Development has occured in the past it has usually been attributable to some fundamental asset or potential within the region itself. It appears to us that our experience and knowledge of the Area are now sufficiently broad to enable us to spot these fundamental potentials and lay them out as the main highways into which contributing programs will feed. If we can spot the basix potential upon which the future progress of any particular region will be based decades hence we will have established the main artery into which we can lead annual TA programs. Allowing for specific exceptions and within the framework of a

Div. Chiefs

Basic Program Objectives

Overall Economic Develop't

broad/

Info: Corson
Div. Chiefs

broad general purpose it seems to us that if the three regions of Africa, the Middle East and South Asia are to attain the kind of development we hope for over the next few decades the progress of each will be large measure because of the following factors.

1. Development of the resources of Africa
2. Development of land utilization and greatly increased food production in the Middle East
3. Developments a greater industrial way of life in South Asia.

FOA/W considering presentation oriented around these broad avenues; this approach currently under discussion among Agencies. Therefore, if you cast your discussion these as ultimate course of development. This does not necessarily mean revision present programs since in most countries basic technical cooperation program constitute necessary good work for long range economic development. Consideration of long range development opportunities it may however provide means of putting in sharper focus portions of present programs, and in future could provide guides for selection of activities to follow "basic" programs. Cable two page statement along these lines no later than Feb 15.

2. Bringing up to date FY 1955 programs submitted by you in Sept and translated into FOA/W submissions to bureau of Budget, copies of which mailed to you. This should reflect changes in plans, or in total program amounts as required. This should be done by: (a) revised forms I, II, III and IV. Airgram A-23 or A-25. Cable by Feb 15 table of revised figures by project and cost component (Use column headings US costs form III plus total local contribution form IV. And confirm by revised forms I-IV. Revised data need not be submitted for projects or fields of activities where not changed from original submission. Footnote amounts for contracts for technicians, indicating University or other Agency where known. (B) Revisions in text of Bureau of Budget lieu of budget submissions, required no later than Feb 22, earlier if possible. Special attention should be given to statement of accomplishments to date.

3. Projection of estimates of sub-obligations and expenditures as of March 31, 1954; June 30, 1954; June 30 1955. Specific instruction this point follow. Meantime suggest peliminary work be initiated for these estimates. Estimates should be maintained up to date through Congressional hearing period on monthly basis and submitted to Washington so that presentation material may be kept up to date.

Bode
Taylor

4. Report host most country contribution. Instructions to follow.

Div.

Div. 5. There has in past been Congressional criticizm of "scattering" of program, i.e., dispersion in excessive number of small activities , and not in conforming with any specific plan or objective, request evaluation this aspect of program and statement for use in hearings in response to question. Where criticism valid, indicate plans for direction. Due date March 1. (b) re countries which have been visited by members Congress or

Not S/A

Committee/

Committee Staffs during past year provide appropriate background data re portions of program visited committed upon, in prepar possible questions. If such date already provided FOA/W so indicate by Reference to cable airgram number. Due date March 10.

STASSEN

lms

DIST:

Ambassador
FOA - Action
McCullars
File

1 JJ Program (1) (2)

January 4, 1954

OFFICIAL - INFORMAL - CONFIDENTIAL

Mr. Harland J. Corson
Director, United States of America
Operations Mission to Saudi Arabia
c/o American Embassy
Jidda, Saudi Arabia

Dear Harland:

With reference to the well drillers, events occurred too rapidly for us here in Washington to keep up with the situation. I hope my last good deed of the year was that of getting out USFOTO 186 leaving the matter entirely up to you as to what should be done. In other words, Embassy Despatch No. 191 indicated there were some difficulties between SAG and the Baker Company. If such were the case, we certainly didn't want to get drawn into them. We were also disturbed about picking up the drilling contract check since the Saudis had been carrying this part of the program. There seemed to be considerable change in attitude on the part of the Saudis shortly after the Embassy Despatch No. 191 had been written, although we still had the two questions outlined above. With this in mind, we got out USFOTO 185 which hadhardly left our desk when your TOUSFO 247 arrived. As complicated as the matter had become, it seemed to me the only way to handle it was to pass it back to you folks, which we did, after I worked all morning of the 31st getting concurrence on 186. It was impossible to handle the situation here due to the fact that we didn't know the circumstances in Jidda, we didn't have sufficient basic data to develop a contract, and to have developed and gotten a contract cleared would have taken several days. It is hoped that 186 will enable you to exercise judgment and to meet the emergency in the field. Please fill us in a little on exactly what occurred subsequent to November 19 and give us a copy of any contract you may have entered into with the Baker Company along with such other pertinent data as may be appropriate.

Reference to the authorization to negotiate the Special Economic Aid Agreement, I thought I had this one on the rails as soon as the notification of allotment went out to you due to having gotten to you previously authorization to develop project agreements as provided in Organization 18, dated September 1, 1953 and in view of the fact that USFOTO 143 had gone out. I assumed from USFOTO 143 that all that was needed was a short cable authorizing you to proceed. I found, however, that this cable required the approval of the Assistant Secretary of State since all general agreements must be approved by him. Reconciling the various questions raised regarding USFOTO 143 and

and subsequent cables has slowed this down. It is hoped the points raised by you can be straightened out and the authorization to proceed will have been received by you prior to the time this letter reaches you.

Mr. Husseini has returned to Washington upon completion of the water spreading training program in which he has been participating. He has two or three little problems which need to be worked out in the field. One of them has to do with the payment for his air passage. It seems that, based on his word, Air France issued him tickets for which they have not yet been reimbursed. Authorization for Husseini's travel was included in TECTO 64. As I understand from Mr. Husseini a copy of the travel order you issued him based upon this authorization will enable Air France to claim reimbursement.

Another matter with reference to Mr. Husseini, he was supposed to have gotten $100 travel advance before leaving Jidda. Apparently in the rush of getting off he did not receive this sum. In receiving subsequent payments on his grant, the Bureau of Land Management, who have been handling this program, have deducted this $100 and it will, therefore, be necessary to make this up to him when he returns to Jidda.

We know you have been interested in getting Bremseth on the job. Apparently this recruitment got up to the point where appointment by the Department of Health, Education and Welfare could have been made on an interim clearance. Mrs. Hobby, however, ruled that no appointments from her Department would be made until the full field investigation was completed. Resultantly, FOA has recently taken over the recruitment of Bremseth on FOA rolls. Last week I signed the job description which places this action in operation. I cant give you at this time any reading as to when Bremseth will be on the job but we want you to know he is in process.

I have finally had the opportunity to look over your revised 1955 program. It shows a lot of thought and hard work and, except for one thing which I shall discuss later, I think it is very good. I have passed it on to the technical staffs for their consideration and comments. When I get these, we will try to convince the Program Office that this is what should be done in Saudi Arabia. Time only will tell how successful we might be. The only question I had with reference to the program as submitted by you was as to whether or not you might be getting spread out a little bit too wide. I am of the opinion because of the size of Saudi Arabia and the difficulty of communications that it may be well to try to concentrate our activities in specific areas so that a real showing and demonstration can be accomplished. Once the demonstration has proved successful then the Saudis having gained experience perhaps with the minimum help from us can multiply projects and carry them on elsewhere throughout the country. In discreetly questioning Husseini on this he verified this contention. Among other things, he mentioned the Extension Specialist in Hofuf and he seemed to have considerable question as to what could be accomplished by this one individual. I do not know how able the Acting Liaison Officer may be but I would suggest that upon Mr. Husseini's return you check your program with him very carefully. While

not having been in Saudi I understand that, because of the conditions existing within the Government, the religious aspects of the situation, probably for other reasons, it is almost a must to keep closely atuned with the Liaison. This latter thought has not been prompted by anything said by Mr. Husseini but by other FOA people who have been in the field. I am sure you are doing this but I wanted to raise this word of caution for whatever it may be worth.

I happened to accidently meet Cy Fryer one day last week and he was quite surprised, as was I, that the program developed for the Asir by the IDS representatives while they were in Jidda in November had not been received in Washington, hence our telegram USFOTO 184. From here I am at somewhat of a loss to know how the Asir program is going to get off the ground unless we contract with IDS or some similar organization. Maybe you have been able to work out something else on this. At any rate would you give me a run down on it so we can be in tune with what you wish to do.

I realize there is a lot of stuff in this letter and perhaps it should have been broken into several communications. However, I have been sort of thinking out loud and hope it is not too much inconvenience for you to break out and take action on the various segments.

Sincerely yours,

Paul F. Taggart
Chief, Iraq-Saudi Arabia-Lebanon-Syria Division
Near East, South Asia, and Africa Operation

O/NEA:ARAB:PFTaggart:veb

USA OPERATIONS MISSION TO SAUDI ARABIA
Jidda

OFFICIAL-INFORMAL
UNCLASSIFIED

January 3, 1954

Dear Paul:

We recently received several copies of the FY-55 budget presentation corresponding to Saudi Arabia in the total amount of $1,669,000. In checking over the figures contained in that presentation, we note that under the section "PUBLIC ADMINISTRATION" the cost of U.S. technicians was reduced from $125,000, as originally included in the FY-55 budget, to $100,000. No explanation was noted in the budget presentation we received from Washington. Consequently, we would like to know why such a cut was made and will appreciate your furnishing us with this information.

We also enclose several sheets of the above-mentioned budget presentation and will appreciate your sending us three copies which are legible.

Speaking of the FY-55 budget, we discussed at Istanbul with Riggs McCormack the matter of our having combined economic aid and technical assistance totaling approximately $5,000,000. McCormack mentioned that it might be necessary for us to separate technical assistance and economic aid since in all probability Congress will deal with these separately. If separate budgets are required, please let us know and we will be glad to prepare them accordingly. We did inform McCormack that the amount which we would require for envisaged technical assistance programs would be around $2,000,000, and for economic aid programs around $3,000,000. Insofar as Saudi Arabia is concerned, the only difference we can see between technical assistance programs/projects and economic aid programs/projects, is the fact that under the latter we generally would not be training Saudi counterparts. This is definitely the case insofar as our 1954 economic aid projects are concerned, although if we separate the programs/projects included in our combined FY-55 budget, there would be economic aid programs/projects which would provide for the training of Saudi counterparts.

We will look forward to hearing from you in the above connection.

Sincerely yours,

Harland J. Corson, Director
USA Operations Mission to Saudi Arabia

Encls. - 3

Mr. Paul F. Taggart,
Chief, Iraq, Saudi Arabia, Lebanon, Syria Division,
Near East, South Asia and Africa Operations,
Foreign Operations Administration,
Washington 25, D. C.

FY 1955 ORIGINAL BUDGET

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINEES	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTIO
AGRICULTURE											
Cost of U.S. Technicians	240,000	12	240,000								
Cost of Trainees	32,000			8	32,000						
Project #1 (5,000)	5,000						5,000				20,000
Project #2 (9,200)	9,200						9,200				4,000
Project #3 (20,000)	20,000						20,000				50,000
Project #4 (4,000)	4,000						4,000				4,000
Project #5 (16,000)	16,000						16,000				10,000
Project #6 (32,000)	32,000						32,000				75,000
Project #7 (8,200)	8,200						8,200				8,000
Project #8 (15,700)	15,700						15,700				15,000
Project #9 (25,000)	25,000						25,000				50,000
Project #10 (1,000)	1,000						1,000				1,000
Project #11 (2,000)	2,000						2,000				1,200
Project #12 (1,000)	1,000						1,000				600
Project #13 (25,000)	25,000						25,000				25,000
Project #14 (40,000)	40,000						40,000				45,000
Project #15 (1,200)	1,200						1,200				500
"Other"	52,600					8,000	24,600			20,000	
TOTALS	529,900	12	240,000	8	32,000	8,000	229,900			20,000	309,300
HEALTH & SANITATION											
Cost of U.S. Technicians	147,000	7	147,000								
Cost of Trainees	24,000			6	24,000						
Project #2 (2,500)	2,500						2,500				
Project #5 (25,000)	25,000						25,000				)
Project #6 (25,000)	25,000						25,000				) 250,000
Project #7 (7,500)	7,500					5,000	2,500				)
Project #8 (10,000)	10,000						10,000				)
TOTALS	241,000	7	147,000			5,000	65,000				250,000

FY 1955 ORIGINAL BUDGET

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINEES	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTIONS
EDUCATION											
Cost of U.S. Technicians	133,641	7	133,641								
Cost of Trainees	32,000			8	32,000						
Project #1 (18,000)	18,000					18,000					26,040
Project #4 (8,200)	8,200					1,500	6,700				9,000
Project #5 (23,813)	23,813						23,813				31,600
Project #6 (9,000)	9,900					9,000				900	3,014,000
Project #7 (7,346)	6,446					4,646	1,800				11,200
TOTALS	232,000	7	133,641	8	32,000	33,146	32,313			900	3,091,840
NATURAL RESOURCES											
Cost of U.S. Technicians	282,884	11	282,884								
Cost of Trainees	12,000			3	12,000						
Project #1 (87,116)	87,116					12,160	74,956				770,000
TOTALS	382,000	11	282,884	3	12,000	12,160	74,956				770,000
TRANSPORTATION & COMMUN.											
Cost of U.S. Technicians	60,000	3	60,000								
Cost of Trainees	12,000			3	12,000						
Project #2 (100,000)	100,000								100,000		215,000
TOTALS	172,000	3	60,000	3	12,000				100,000		215,000
PUBLIC ADMINISTRATION											
Cost of U.S. Technicians	125,000	5	125,000								
Cost of Trainees	12,000			3	12,000						20,000
TOTALS	137,000	5	125,000	3	12,000						20,000
GRAND TOTALS	1,693,900	45	988,525	31	124,000	58,306	402,169		100,000	20,900	

oil industry with the rest from customs fees, taxes on gold and mineral concentrates, and Zakat taxes. Of these, customs duties are by far the largest. Principal expenditure items include: the King's household; tribal subsidies; government purchase of foodstuffs, automotive equipment, textiles, etc. for sale or free distribution; the Finance Ministry, Defense Ministry, Health Ministry and for construction of hospitals, quarantine buildings, government buildings, airports, roads, sewerage and water works, electric plants, etc.

Available trade statistics indicate that while in the past India and the Middle East supplied the bulk of imported goods, high prices and export restrictions in those regions, together with the recent availability of dollar exchange, have diverted much of this trade to the U. S. In 1951 the U.S. exported to Saudi Arabia a total of $51,270,919 worth of goods, including machinery and vehicles, textiles, metals manufactures, grains, sugar and food preparations. Oil revenues provide the foreign exchange for these purchases.

Formation of capital funds from local sources to be used for development purposes is slowly taking place. Customary practices such as the buying of real estate or participating in trading ventures, plus the lack of modern corporation laws, act as brakes on investment in industrial enterprise. Foreign capital, save for large-scale oil development and a gold mine, has not been attracted primarily due to unfavorable and uncertain government policies.

The establishment of the Monetary Agency has been a partial step forward towards regularizing financial transactions of the government. Despite its large oil revenues, the government frequently has to get advances on its quarterly oil payments in order to meet its obligations. An Export-Import Bank loan was partly used to cover payment of harbor and other development work. The Saudia Arabian money is freely convertible. Recently, paper certificates have been issued by the Monetary Agency for the use of pilgrims.

Roads are largely tracks or rough trails while paved or improved roads are to be found only about the oil towns, between Jidda-Mecca and 100 kilometers of the Jidda-Medina road. The Saudi Arabian Airlines, a government company, joins Jidda-Medina-Mecca-Riyadh-Hofuf-Dhahran. International air and sea travel is handled by a number of different companies. Interior travel is handicapped by bad land facilities resulting in regional isolation.

II. GENERAL SITUATION

With the bulk of national income going directly to SAG, the prime source of development funds is the government. This is particularly true in the case of funds needed to carry out such non-revenue producing projects. Outlays for these works are very large due to the fact that even as late as 10 years ago the country was very deficient in all such services and much still remains to be done.

That there is great need for such projects is recognized by the Finance Minister and some other officials. The budgets of 1952 and 1953 were considerably in excess of previous budgets, especially in the categories which might broadly be considered as being developmental. Out of a total budget of 757,960,158 Saudi Riyals, approximately 132,350,000 SR, or $33,000,000 could be attributed to such projects. These included a quarantine station, hospitals, government buildings, roads, the railroad, water and sewerage works, dams, etc. This is approximately 17% of the budget. Nothing appears to have been allocated for agricultural or industrial development in the actual budget. However, it is believed SAG has spent nearly $1,000,000 for FAO projects, particularly the Gizan-Tihama project.

As the budget is not presented in much detail, it is difficult to evaluate. To judge the results is even more difficult. The antiquated governmental structure where a king who still rules to a large degree as a tribal chieftan and where lines of authority are not clearly defined, makes disciplined planning and execution difficult.

the Crown Prince has been given greatly increased authority and there are indications that the former overwhelming importance of the Finance Ministry is to be curtailed. What the results of this change will be, cannot be predicted. Not only is proper organization lacking, but there is a great deficiency in trained personnel of all grades and types.

From time to time development boards or agencies have been decreed, but to date their influence has not been noticeable. As government income has increased in the past ten years, commitments and appetites have likewise increased. Instead of building up a reserve fund for future use and instead of careful budgeting and planning, spending would appear to have taken place in a haphazard, confused fashion. It is a situation where virtually everything is to be done and there are great numbers eager to participate in the doing. There are numerous sons and other relatives of the King, and their demands and needs are great.

Under these circumstances, it is remarkable that SAG has carried out the many projects it has in the last few years. But the need to expend a big percentage of revenues on all types of development projects remains. It is necessary to set investment priorities and to balance expenditures for permanent capital works with those of a recurring nature as in health, education and agriculture. The over-all need of building an educational system which will produce men and women prepared to work in all of the many phases of a modern economic society is perhaps of first importance.

FOA's future in large part should be to seek to channel these revenues into constructive and productive works. The stakes are enormous. Confronted by a people, who in the mass are poverty-stricken, illiterate and sick, the government has now for the first time in its history the means to improve the people's lot. If such does not take place, it is unlikely that internal stability can long be mtintained. The ferment disturbing many parts of the Middle East will probably sooner or later come to Saudi Arabia. Unless the Government has taken positive measures to improve conditions, the danger exists that the people will fall prey to some form of internal disorder or external pressure. Saudi Arabia is of great importance for its rich oil fields, the size of American investments with their annual large return to American stockholders and to the U. S. Government in the form of taxes, and in salaries to American employees. There is the strategic importance of Saudi Arabia, with its own and its neighbors' oil reserves lying virtually on the borders of Russia. It might also be noted that Iran and its confused condition lies just across the narrow Persian Gulf from the oil fields of Saudi Arabia and Kuwait. A stable Saudi Arabia, characterized by a strong, friendly people, with a government capable of carrying out required programs, is needed in this strategic yet unsettled part of the world.

Because of this country's backward state, the FOA program should go slowly towards bringing about fundamental changes. This means doing work in agriculture, health, education, natural resources, and also in public administration and transportation. There is always the danger of trying to do too much and it is difficult to pick priorities. Yet if the small program is to be effective to any degree, such choices must be made.

Resources - Internal and External:

Development funds from private sources can be expected to become more important in the future. Private investment in industry and productive works is taking place slowly. It is confronted by many difficulties such as are noted above. However, some small industries producing tiles, building materials, soft drinks, a modern printing plant, etc., have been started. Trading societies frequently have relatively large resources and these could be sources of funds if opportunities in industry presented the likelihood of returns comparable to those gained in other fields. The growth of small business and industry is centered almost entirely in the Eastern oil towns and about Jidda. Interior

COUNTRY Saudi Arabia

CONFIDENTIAL

TABLE VII

APPROPRIATION FY 1955

OBLIGATIONS BY ACTIVITY AND COST FACTORS
Fiscal Years 1953, 1954, 1955
(Thousands of dollars)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Agriculture and Natural Resources						
1953/a	200					
1954	676	156	433	9	36	51
1955	912	325	523	11	44	20
Health and Sanitation						
1953/a	120					
1954	317	144	140	5	20	13
1955	241	65	147	6	24	5
Education						
1953/a	70					
1954	184	32	73	6	24	55
1955	232	33	134	8	32	33
Transportation and Communications						
1953 a/	425					
1954	188	61	76	6	23	28
1955	172	100	60	3	12	--
Public Administration						
1953/a	100					
1954	97	--	85	3	12	--
1955	112	--	100	3	12	--
General and Community Development Projects						
1953/a	650					
1954	--					
1955	--					

CONFIDENTIAL

SAUDI ARABIA (Continued)

	Total	Supplies and Equipment	Program Personnel (Amount)	Trainees Number	Trainees Amount	Local Costs
Total						
1953/a	1565					
1954	1462	393	807	29	115	147
1955	1669	523	964	31	124	58

Memorandum	Contractual Services	Joint Funds/b
1953	1202	—
1954		58
1955		18

a/ Detail for 1953 not presently available.
b/ U. S. Contribution.

FUNCTIONAL PROGRAMS

AGRICULTURE AND NATURAL RESOURCES

Total U. S. Cost $912,000
No. of U. S. Technicians - 28
No. of Training Awards - 11
Host Country Contribution -
$1,105,000

Objectives: To improve agricultural production standards by teaching the farmers more effective farm practices and thereby raise the rural standard of living, and to obtain fuller utlization of available resources, both water and mineral.

Problems in the Field of Activity: Arable land is scarce in Saudi Arabia. Water for crop production is scarcer and the lack of it often causes local crop failure and even famine. Practically all farm production depends on irrigation with the very limited water. A high percentage of the farmers are illiterate. They pursue ancient farm practices. Consequently, with the restricted means for growing farm products and a lack of knowledge of how to utilize modern technology in combining the available factors of production, the basic problem in rural Saudi Arabia is to teach the farmers to follow more desirable practices fundamental to fuller living. Better utilization of water and the bringing into use of newly discovered water resources is an important problem.

Existing Programs: The host government practically has no organized program of agriculture. It does have a Department of Agriculture with a staff in Jidda. As a whole, the department is very feeble. Agricultural technicians have been stationed in three or four areas of the country but their work is ineffective because of the lack of support by the Department.

Local Organization: The TCA Agriculture Division has had little opportunity, to date, to work on an organized basis with the host government Department of Agriculture. At present it is necessary to operate through the Minister of Finance and this condition will continue until a more responsible Director of Agriculture is provided. In the field of Natural Resources, Investigations, FOA furnished technical advice while the Saudi Arabian Government provides drilling personnel and equipment through a contractor.

Major Activities in FY 1955	Progress to Date
Agriculture Extension - $186,000	
Demonstrate improved farm practices and conduct experimental work in food and forage work and vegetable varieties, and cultivation practices, continuing activities being initiated in FY 1954.	A program plan has been completed for Ministry of Agriculture and surveys completed in major agricultural areas of the country.

Livestock Improvement - $91,000

A more profitable livestock breeding program is being introduced to improve native breeds of sheep, goats, poultry and cattle, introducing desirable breeds, and establishing foundation herds for distribution of pure bred sires. A U.S. Technician will supervise a livestock farm, being established by SAG in FY 1954, demonstrating improved stock and methods, and distributing stock for foundation herds. Parallel with this activity, a program of research in and demonstrating for the improvement and conservation of range forage crops for livestock will be carried forward expanding from 3 demonstrations plots in FY 1954 to 7 in FY 1955.

Being initiated in FY 1954. This program will provide essential balance to the agricultural program by reaching the Bedouins as well as the farmers.

Land Development - $98,000

Continuation of advice on development of irrigation for arable lands, especially on the Asir project. Demonstration of improved drainage practices, lowering the water table and thereby increasing production in the Al Hasa Oasis and at Qatif. Provision of construction equipment for the drainage demonstrations.

New Project in FY 1954. These programs will provide a base for SAG programs for settlement of the Bedouins.

Water Spreading - $60,000

Establishment of one or more demonstration areas in the use of range land by water spreading and revegetation using leaders currently being trained in the U. S. under the Regional Water Spreading Program.

SAG range management specialist, is participating in the special group of leaders from the Arab states, for training in water spreading techniques. This program offers an important opportunity for maximum use of range water in arid areas.

Locust Control - $45,000

Technical advice and equipment to supplement regional locust control program

To be started in FY 1955 as a program separate from the regional program.

Natural Resources Investigations - $432,000

A broad program of surveys and mapping of water and mineral resources of the country. This will include technical assistance and advice in mapping, analysis of water samples and prospecting for additional water supplies and analysis of drill cuttings and rock samples. Continuation of a general geologic survey and more intensive studies in area of possible mineralization. Planning the development of natural resources, roads, railroads, air fields, agricultural lands, etc. utilizing the results of such studies.

Project getting underway in FY 1954. This is essential in order to obtain data regarding location of water and mineral resources necessary for economic development.

HEALTH AND SANITATION

Total U. S. Cost - $241,000
No. U.S. Technicians - 7
No. of Training Awards - 6
Host Country Contribution - $250,000

Objectives: To strengthen the Ministry of Health by advising on organization and budgetary procedures. To carry on some demonstrational projects to encourage the Ministry to develop a public health program.

Problems in the Field of Activity: Some of the problems are (1) poor organization in the Ministry; (2) lack of Saudi trained in health work (3) lack of training facilities; (4) either lack of sufficient funds for the Ministry of Health or the unwise spending of the funds, or both; (5) a desire of some officials to keep the "status quo"; (6) lack of reasonably sufficient health facilities; (7) poor condition of existing health facilities; and (8) complete lack of any idea of sanitation.

Existing Problem: The Ministry operates "hospitals" in several cities, as well as a quarantine service which concentrates its services on the pilgrims to Mecca.

The World Health Organization has recently sent an advisor on public health administration. It has a venereal disease control team, a malaria control team operating, and a quarantine advisor.

Local Organization: The headquarters of the Ministry of Health are in Mecca, and it is forbidden for non-Moslems to go there. However, recently an office has been established in Jidda so that there is practically daily contact with the official designated by the Ministry to work with FOA. Two technicians have been assigned directly to the Ministry. It is proposed to assign other technicians to the Ministry when they arrive. In this manner FOA will be able to integrate its programs into the operations of the Ministry.

Major Activity in FY 1955	Progress to Date
General Health Training - $241,000	
Demonstration activities directed toward the establishment by the Saudi Arabian Government of an adequate public health program. Supervision and organization of nursing activities in a maternal and child health clinic in Jidda; establishment of a public health laboratory and a demonstration public health center in Riyadh. Training of laboratory technicians, sanitary inspectors and hospital assistants.	The establishment of a quarantine station and vaccine laboratory in previous years pave the way for the more fundamental types of activities required for a sound public health program.

EDUCATION

Total U.S. Cost - $232,000
No. U. S. Technicians - 7
No. Training Awards - 8
Host Country Contribution - $3,066,000

Objectives: To create the desire for, and start the development of, facilities and personnel for pre-employment and in-service vocational and technical education. Plan, develop and promote the organization of a minimum national, democratic system of public education including facilities, curricula, controls, personnel and stabilization of financial support.

Problem in the Field of Activity: There are no planned school structures in the country. There is a small percentage of the children who attend any kind of school. The curriculum is based first on religious law and secondly upon antiquated conception of enlightenment. Schools are mostly housed in rented locations. There are many SAG subsidized private schools. Approximately one-half of teaching personnel are contract Egyptians. There exists much prejudice against change and almost a complete lack of modern basic enlightenment upon which to build. Changes are only considered because of ever increasing pressure from the people for educational opportunities.

Existing Programs: Private school operators are constantly offering individualized proposals for schools. The government is requesting financial contributions and technical assistance from ARAMCO in building isolated schools. There is no planned program for school development. Many opinions, many promises, no unification of thought results in little but loss of time and great waste of money.

Local Organization: The Finance Ministry seems the most direct and forceful approach to any kind of development program in the field of education.

Major Activities in FY 1955	Progress to Date
Commercial and Industrial Training - $147,125	
The continuation of the development of schools for commercial and industrial training. The Jidda Commercial School project. Industrial school development involving the establishment of a drafting shop and courses in automotive mechanics and welding. Special courses will be initiated for employees of the Saudi Arabian railroad.	The Jidda Commercial School is already in successful operati with about 100 students. The Industrial School and Railroad Train Institute will be started in FY 1955.
School Planning and Teacher Training - $84,875	
Assisting the SAG school planning and teacher training leading toward the development of and adequate general school system for the country. The project will enable the development of curriculum, provision of buildings, teachers, organization, and instructional materials.	To be started in FY 1955.

TRANSPORTATION AND COMMUNICATIONS

Total U. S. Cost $172,000
No. of U. S. Technicians - 3
No. of Training Awards - 3
Host Country Contribution - $215,000

Objectives: General improvement of transportation facilities by railroad, highway and air. Installation of the Visual Omni-Range equipment at Jidda Airport for the safer operation of aircraft.

Problems in the Field of Activity: It is well known that the improvement of transportation facilities in this country are essential to the economic welfare of the country.

Existing Programs: The Saudi Arabian Government has been carrying out some road construction work and for some time has considered the building of a railroad from Riyadh to Jidda and Mecca.

Local Organization: Up to now, all matters pertaining to general improvements in the country have been handled through the Finance Minister's office. However, recently a new Ministry of Communication and Transportation has been organized and it remains to be seen whether or not this ministry will have real authority in carrying out development work.

Major Activities in FY 1955	Progress to Date
Transportation and Communications - $172,000	
Improvements of airport safety facilities and training of technicians in railroad work and telecommunications.	Railway survey has been completed. Five Saudia Arabian telephone technicians are now training in the United States under FOA grants. A number of railroad technicians are being selected to come to the U. S. for training in connection with railway construction planned by the SAG.

PUBLIC ADMINISTRATION

Total U. S. Cost - $112,000

No. of U. S. Technicians - 5

No. of Training Awards - 3

Host Country Contribution - $20,000

Objectives: To bring about improvement in certain phases of the host government administration mainly in the field of public finance.

Problem in the Field of Activity: Due to the elementary organization of Saudi Government, guidance and direction are required as responsibilities and duties increase.

Existing Programs: The Saudi Government is slowly reorganizing its administrative structure. Example of this is the newly organized Ministry of Transportation. The Government has frequently brought in foreign missions or experts to help in developing a more modern governmental structure.

Local Organization: FOA Mission works together with the Ministry of Finance and its several divisions.

Major Activities in FY 1955

Public Administration - $112,000

Technical advice and assistance in governmental organization, especially in the fields of money and banking, customs and tariff, budgetary and accounting procedures. Reorganization of Saudi Arabian customs procedures, following work already done on tariff regulations.

The success of the public administration program will determine in large measure the efficiency of the entire technical assistance program and the strength and stability of Saudi Arabia.

Progress to Date

FOA technical advice and assistance contributed greatly to the establishment of the Saudi Arabian Monetary Agency and the introduction of the gold sovereign as a stable unit of currency. An FOA technicican, working with the Ministry of Finance, has completed work on a new tariff structure for the SAG. Preliminary studies have been made toward a reorganization of SAG customs.

file

U.S. Operations Mission
to Saudi Arabia
Jidda

OFFICIAL-INFORMAL
RESTRICTED

December 1, 1953

Dear Paul:

In our letter dated October 15, 1953, transmitting Program Budget Estimates for FY-55, we stated that such estimates were those presented by the Division Chiefs in accordance with the general provisions outlined in TECTO Circ A-23 of August 18, 1953, but that these estimates would be carefully reviewed by the new Director and subsequent estimates submitted. We enclose herewith our revised FY-55 Budget Estimates for your consideration and approval.

The total amount of this revised budget is $4,844,000, broken down as follows:

Agriculture	$855,400	17.66%
Health & Sanitation	793,500	16.38
Education	1,005,246	20.75
Natural Resources	584,000	12.06
Transportation & Communications	1,084,000	22.38
Public Administration	154,250	3.19
Administration	367,526	7.58
	4,843,922	100.00%

Number U.S. Employees	- Program	95
	- Administration	19
	Total	114

You will note that we give greatest emphasis to Transportation (roads) and Education, followed by Agriculture and Public Health. SAG, through the newly created Ministry of Communications, under the direction of Prince Tallal, has repeatedly stressed the great necessity for roads both as a means of developing country-wide trade, and for unifying the country. The dire need for education - both academic and vocational - is well known. The emphasis in our education program is on vocational training so as to prepare

Mr. Paul F. Taggart,
Chief, Iraq-Lebanon-Saudi Arabia-Syria Division,
Near East, South Asia and Africa Operations,
Foreign Operations Administration,
Washington 25, D.C.

prepare skilled and semi-skilled labor for the industrial development of Saudi Arabia. We plan to contract with U.S. universities or colleges much of the work covered by the enclosed Education and Transportation Programs. You will find attached to each program budget a Plan of Work covering the respective projects included in our revised FY-55 Budget Estimates.

In preparing these revised estimates, we have carefully weighed the following facts:

1. The strategic political and geographic importance of Saudi Arabia to the United States in the drive against Communism.

2. The far-reaching role played by Saudi Arabia in the Arab World through its control of Mecca, which places them in a uniquely important position amongst the Moslem States.

3. The importance of Aramco (Arabian-American Oil Company), the largest single American investment outside the United States, having under concession about one-sixth of the world's total oil reserve; also of the Military Base, both on the Persian Gulf side of Saudi Arabia.

4. The existing pro-American attitude on the part of SAG, which attitude is one not only to maintain but also to promote to the greatest extent possible.

5. The great need for the development of natural resources (other than oil), especially water, as well as for the development of its own food supply.

6. The existing deplorable conditions in health, sanitation and education and the urgent need for improvement in these phases of Saudi Arabian life, thereby augmenting their productivity.

7. The great need for assistance in Government Administration and Services, created by the heavy demands placed upon SAG in recent years through rapidly expanded activities following the large scale development of its oil resources.

8. The keen interest on the part of SAG to be helped in their efforts to emerge from a primitive to a modern state.

9. The resentment of SAG to the fact that Saudi Arabia has been and still is "on the bottom of the list" of U.S. contributions to Arab States, in spite of SAG's positive friendly attitude toward the U.S.

In addition

In addition to the above facts, we have based our upward revision of the FY-55 budget estimates on the proclaimed policy that "as European aid requirements decrease, technical assistance and economic aid for underdeveloped countries should be increased." Saudi Arabia definitely can be classified as an underdeveloped country and one which warrants whatever assistance can be furnished it to alleviate its "growing pains."

We call your attention to the fact that in all of the FY-55 proposed projects we have indicated that the funds for them will be commingled. We have done this due to the fact that we are counting on receiving your approval for the use of the Cooperative Service type of agreement to eliminate the extreme difficulties always encountered to get funds from SAG and to greatly induce Saudi participation in accepted programs and projects as a dependency of the respective Ministry.

The total estimated expenditure for the revised FY-55 program (excluding U.S. Technicians' costs) is about $10,000,000 and the ratio between U.S. and Saudi contributions is 1 to 3. Of course we cannot say at this time just what the Saudi overall contributions will be but the ratio definitely will not be less than 1 - 1.

This Mission will do everything within its power to create as much impact as is possible under the much delayed FY-54 programs but if an early approval of the FY-55 Budget, as submitted herewith, can be counted on, this Mission feels that its presence in Saudi Arabia will be felt effectively and that it will be able to do much to improve USAOM-Saudi Arabian relations, which have bogged down due to our not having produced concrete results as have been expected by SAG.

Any additional information which might be required for your consideration of this revised budget will be furnished promptly upon request.

Sincerely yours,

Harland J. Corson
Director
U.S. Operations Mission
to Saudi Arabia

Enclosure -
Revised FY-55 Budget Estimates -
Saudi Arabia

HJCorson:o

U.S. Operations Mission
to Saudi Arabia
Jidda

OFFICIAL - INFORMAL

November 28, 1953

Dear Paul:

We refer to your letter dated November 6.

In our correspondence, we have frequently inquired as to the status of Meistrell's recruitment and departure for Saudi Arabia, thereby indicating our concern regarding this matter. As you know, we cannot request host government clearance until U.S. clearances have been obtained. These had not been obtained at the time of Taylor's departure from the U.S. To date we have received no word from FOA/W that Meistrell's clearances there have been completed. Therefore we were quite surprised when we received your cable, USFOTO 127 dated November 3d, requesting urgent host government clearance without giving us at the same time the necessary biographical information on him. We immediately requested such information (see our cable TOUSFO 197 dated 11/4), following up that cable by another, TOUSFO 204 dated November 15. Again, in our cable TOUSFO 212 dated November 23d, we asked for such biographical information. Up to this writing we have had no reply from FOA/W in this connection nor do we know the status of Meistrell's recruitment. We sincerely hope that he has not accepted another position, thereby necessitating the recruitment of another qualified man for this important position, with the resultant delays.

Since the arrival here of the undersigned, many meetings have been held with the Division Chiefs on not only the FY-54 but also the FY-55 Budget Estimates. Plans have been prepared for carrying out the FY-54 programs and projects; all but one AIRPAR, corresponding to new recruits for FY-54 work, have been forwarded already to FOA/W; requisitions for supplies and equipment for the FY-54 program are being prepared and will be sent to FOA/W by pouch on December 7. Lack of stenographic help has held up our work here tremendously. The obligation numbers for these requisitions will be forwarded by cable after we receive the allotment of '54 funds.

Until such time as we hear from you regarding the outcome of the FOA/USOS contract discussions, we hesitate to do anything regarding

recruitment

Mr. Paul F. Taggart,
Chief, Iraq-Saudi Arabia-Lebanon-Syria Division,
Near East, South Asia and African Operations,
Foreign Operations Administration,
Washington 25, D. C.

recruitment of personnel or requisioning supplies and equipment for our Natural Resources Division. We reiterate here that we would prefer to contract water development work under our FY-54 budget and '54 Special Economic Aid Program.

We heartily agree with you in that for the FY-55 period, it would be preferable to embody technical assistance programs and grant aid programs into one over-all program since in so far as Saudi Arabia is concerned grand aid programs are of a technical assistance nature to be carried out on a cooperative service basis. By this same mail we are sending you a revised FY-55 budget, fully supported, for a total U.S. contribution of a little over five million dollars. We had prepared a revised FY-55 budget totalling about $2,600,000 and were ready to send it to you when we received your letter under reply. We immediately discussed a further upward revision of our revised FY-55 budget as suggested by you.

By pouch on December 7, we plan to forward to you an illustrative budget, totalling $100,000 for two projects, for Muscat in order that consideration can be given by Congress to technical assistance for Muscat during the coming fiscal year.

Sincerely yours,

Harland J. Corson
Director
U.S. Operations Mission
to Saudi Arabia

HJCorson:o

TELEGRAM

Foreign Service of the United States of America

OUTGOING

CHARGE: UNCLASSIFIED Classification

Control: TOUSFO #212

FOA/W

DATE: Nov. 23, 1953

For Taggart.

NOSEC.

Urlet sixth received twenty-second. Still waiting biographical data Meistrell for Saudi clearance. Allocation 5h funds not yet received. Hope receive soon your approval Dammam school project. Minister Communications most interested and ready put up cash. Expect send you next pouch revised budget FY55 according urlet sixth.

CORSON

HJCorson:o

Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

55 Budget

U.S. Operations Mission
to Saudi Arabia
Jidda

October 31, 1953

OFFICIAL - INFORMAL
UNCLASSIFIED

Dear Paul:

Information is requested concerning the current policy as regards the estimation of host country contributions.

The U.S. Operations Mission to Saudi Arabia has a copy of Circular Airgram - Control 2114, dated December 19, 1952, entitled "Host Country Contributions to the Pt. 4 Program."

Is this the most up to date instruction regarding the question? If not, it would be appreciated if the field could be so informed and the latest instructions sent.

Sincerely yours,

Harland J. Corson
Director
U.S. Operations Mission
to Saudi Arabia

Mr. Paul F. Taggart,
Chief, Iraq-Jordan-Saudi Arabia Branch, NEADS,
Foreign Operations Administration,
Washington 25, D. C.

WBHazleton:o

TELEGRAM

Foreign Service of the United States of America

OUTGOING

File 1
2
Chron III

UNCLASSIFIED
Classification

CHARGE:

Control: TOUSFO #157

TO: FOA/W

DATE: October 15, 1953

Nosec.

USFOTO 105. FY 1955 budget A-23 Part 3 B being pouched today. Upward revisions now under review forwarded soonest.

CORSON

HJCorson
WHHazleton:o

UNCLASSIFIED
Classification

☆ U. S. GOVERNMENT PRINTING OFFICE: 1952 - 220210

TELEGRAM RECEIVED

Copy to Mr. Hughes

FROM: SECSTATE WASHINGTON

DATE: 122325Z October 12, 1953

NO: USFOTO 105

CODE: UNCLASSIFIED

RECEIVED: October 13, 1953 10:45 AM

FY 1955 budget A-23 Part 3 B due 9/30. Not received. Please advise

STASSEN

ga

Distribution:

1-FOA - Action
1-Jones
1-Smith
1-McCullars
1-File

UNCLASSIFIED

55 Budget

File 1
2
Chron.

U.S. Operations Mission
to Saudi Arabia
Jidda

September 24, 1953

MEMORANDUM

TO: Mr. John A. Dunaway, Acting U.S. Director of Technical Cooperation in Saudi Arabia

FROM: William J. Edens, Chief, Agriculture Division

SUBJECT: Agriculture Division Budget for FY-1955

The Agriculture Division budget herewith submitted for FY-1955 is an extension of proposed projects for FY-1954, and additional proposed projects for FY-1955.

It will be noted that personnel has been increased to conform to the previously requested staffing pattern which was approved, and that funds requested for projects is considerably increased over FY-1954. I am aware that Missions in general have been advised to keep 1955 budgets at the present level or to even decrease them where practical.

Since the Saudi Arabian Mission program has been delayed in a number of major divisions in attaining the magnitude sufficient to give it reasonable balance, when considering the most pressing needs of the country, it is my feeling that the Washington Office would expect a budget request in keeping with those needs. Should the Mission budget request exceed what FOA and Congress think should be spent on technical assistance in Saudi Arabia, it then would be incumbent on the Agriculture Division to use funds allocated to it as wisely as it knows how.

Under past and present Mission circumstances, what has not been done should not be cited as justification for doing no more or less than what has been done.

I should be glad to discuss the budget with you at any time should it be your desire.

WJEdens:o

CONFIDENTIAL SECURITY INFORMATION

270700Z

FROM: SECSTATE WASHINGTON

DATE: August 26, 1953

CODE: CONFIDENTIAL

NO: Circular TECTO 39

Calcutta pass Katmandu.

Received: August 27, 1953, 4:30 PM

Level of aid proposed for FY 1955 budget estimates.

I. In submitting proposals for technical cooperation and special economic aid programs in FY 1955 you should be guided by following general policies (See also TECTO Circular A-23 dated August 18 to NEADS, TECTO Circular A-25 dated August 20 to ADS, and memo DTC 206 dated August 14 to IIA countries):

A. Technical Cooperation programs.

1. You have already been cabled tentative FY 1954 country program figures authorized discussion with local government officials and development current operating programs. FY 1955 programs should be submitted on a "requirements" basis but bearing in mind the President's desire to reduce expenses and balance the US budget. You should, therefore, assume that FY 1955 program your country will be no greater magnitude than the FY 1954 "planning" figure and that so far as appropriate it will actually reflect some reduction in total. In particular, individual sub-activities should ordinarily show definite decline as progress of operation begins achieve program objectives.

2. You may, however, submit separate recommendations for augmented FY 1955 programs when considered required by situation and US policy interests. In all such cases particularly full justification must be provided — both in terms of US policy consideration and of specific need for particular increase in activity proposed.

B. Special Economic Aid

1. For India and Pakistan you should assume new appropriations will be requested through FY 1956 continuing present magnitude aid. Any larger figure should be presented as separate and supplementary proposal and only to extent supported by powerfully compelling justification. You are asked particularly consider possibility of making greater use of loans to accomplish purposes for which special economic aid sought and to comment in detail on such possibilities. For Near East countries not yet possible indicate country planning figures of special economic aid for FY 1954. Separate FY 1954 instructions will be transmitted as soon as Washington decisions can be made. Appears probable that total proposed for FY 1955 should not exceed $135 million appropriated for current year; but whether in fact considerably larger or smaller figure will eventually be proposed to Congress must depend large part on successful utilization of present funds to achieve stated technical economic objectives for Near East area as whole.

II. In all FY 1954 and FY 1955 program planning emphasized that you should particularly seek to make appropriate use of surplus agricultural commodities under Section 550 of Mutual Security Act as already directed in above reference communications. In the case of India, however, special care should be taken to comply with the cautions of the reference airgram.

STASSEN

CONFIDENTIAL SECURITY INFORMATION

FY 1955 ORIGINAL BUDGET

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINEES	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTION
AGRICULTURE											
Cost of U.S. Technicians	240,000	12	240,000								
Cost of Trainees	32,000			8	32,000						
Project #1 (5,000)	5,000						5,000				20,000
Project #2 (9,200)	9,200						9,200				4,000
Project #3 (20,000)	20,000						20,000				50,000
Project #4 (4,000)	4,000						4,000				4,000
Project #5 (16,000)	16,000						16,000				10,000
Project #6 (32,000)	32,000						32,000				75,000
Project #7 (8,200)	8,200						8,200				8,000
Project #8 (15,700)	15,700						15,700				15,000
Project #9 (25,000)	25,000						25,000				50,000
Project #10 (1,000)	1,000						1,000				1,000
Project #11 (2,000)	2,000						2,000				1,200
Project #12 (1,000)	1,000						1,000				600
Project #13 (25,000)	25,000						25,000				25,000
Project #14 (40,000)	40,000						40,000				45,000
Project #15 (1,200)	1,200						1,200				500
"Other"	52,600					8,000	24,600			20,000	
TOTALS	529,900	12	240,000	8	32,000	8,000	229,900			20,000	309,300
HEALTH & SANITATION											
Cost of U.S. Technicians	147,000	7	147,000								
Cost of Trainees	24,000			6	24,000						
Project #2 (2,500)	2,500						2,500				
Project #5 (25,000)	25,000						25,000				
Project #6 (25,000)	25,000						25,000				250,000
Project #7 (7,500)	7,500					5,000	2,500				
Project #8 (10,000)	10,000						10,000				
TOTALS	241,000	7	147,000			5,000	65,000				250,000

FY 1955 ORIGINAL BUDGET

	TOTALS	NO. U.S. PERS.	COST U.S. PERSONNEL	NO. OF TRAIN.	COST OF TRAINERS	LOCAL PERSONNEL ESTIMATE	SUPPLIES & EQUIPMENT	CURRENT FIELD COSTS	CONTRACT PERSONNEL & SERVICES	OTHER COSTS	HOST GOVERNMENT CONTRIBUTION
EDUCATION											
Cost of U.S. Technicians	133,641	7	133,641								
Cost of Trainees	32,000			8	32,000						
Project #1 (18,000)	18,000					18,000					26,040
Project #4 (8,200)	8,200					1,500	6,700				9,000
Project #5 (23,813)	23,813						23,813				31,600
Project #6 (9,000)	9,900					9,000				900	3,014,000
Project #7 (7,346)	6,446					4,646	1,800				11,200
TOTALS	232,000	7	133,641	8	32,000	33,146	32,313			900	3,091,840
NATURAL RESOURCES											
Cost of U.S. Technicians	282,884	11	282,884								
Cost of Trainees	12,000			3	12,000						
Project #1 (87,116)	87,116					12,160	74,956				770,000
TOTALS	382,000	11	282,884	3	12,000	12,160	74,956				770,000
TRANSPORTATION & COMMUN.											
Cost of U.S. Technicians	60,000	3	60,000								
Cost of Trainees	12,000			3	12,000						
Project #2 (100,000)	100,000								100,000		215,000
TOTALS	172,000	3	60,000	3	12,000				100,000		215,000
PUBLIC ADMINISTRATION											
Cost of U.S. Technicians	125,000	5	125,000								
Cost of Trainees	12,000			3	12,000						20,000
TOTALS	137,000	5	125,000	3	12,000						20,000
GRAND TOTALS	1,693,900	45	988,525	31	124,000	58,306	402,169		100,000	20,900	